

Meeting Minutes

September 22, 2005

GOVERNOR'S COMMITTEE FOR THE PURCHASE OF COMMODITIES AND SERVICES FROM THE HANDICAPPED

Prior to the official business of the committee, Chairperson Donna Lipscomb gave an overview of the State Use Program and the responsibilities of the board and all involved. Newly appointed members were introduced, as well as the new Executive Secretary of the board, Evan Williams. A power point handout of the overview was distributed to all present.

Donna Lipscomb, Chairperson, called the meeting to order at the F. Ray Power Building, located at the West Virginia Division of Rehabilitation Services' office in Institute, West Virginia.

ATTENDANCE:

Committee: Donna Lipscomb; Everette Sullivan; Brenda King; John Liller; Jan Smith; Peter Cuffaro; Evan Williams (Executive Secretary)

WVARF Staff: Glenn McEndree; Chris Miller; Ken Kennedy; Craig Greening

APPROVAL OF MINUTES:

Chairperson Lipscomb advised that the minutes were mailed out, and asked if there were any amendments to the minutes.

Mr. McEndree stated that he did not recall saying that he needed to talk to an attorney and wanted that removed from the minutes. Ms. Lipscomb stated that she and Scott Padon spent a considerable amount of time listening to the tape of the meeting in order to have accurate minutes. Mr. Lillar stated that he was not present at the meeting in question and would like to abstain from voting. Mr. Cuffaro likewise would like to abstain for the same reason. Mr. McEndree requested that the tape be transcribed. Ms. Lipscomb agreed to have the tapes transcribed if WVARF would pay the costs associated with the transcription. Mr. McEndree agreed but only wants the last portion of the tape transcribed and not the entire tape. Ms. Morford stated that they have had problems with the minutes in the past and now the Department of Administration will be doing the minutes.

Motion #1

Ms. King moved to lay the approval of minutes over until the transcript is done. Mr. Sullivan seconded and all voted in favor.

REPORT OF THE COMMITTEE CHAIR

Chairperson Lipscomb went over housekeeping issues. She indicated that guests would be recognized but there would be no audience participation unless a member of the committee requested leave to have a non-member recognized for comment. There will be an opportunity for public comment at the end of the meetings.

Ms. Lipscomb advised the committee that the meeting would generally follow Roberts Rules but there may be some variance to those rules as allowed due to the small size of the Committee. She stated that although she is chairperson this will not prohibit her from making motions when she felt warranted. She would vote on any motion wherein her vote would change the outcome.

Prior to each meeting Chairperson Lipscomb will e-mail a copy of minutes and agenda to the committee members. However, full packets will not be provided in advance. She advised the members as well as the staff that any and all documents that are to be reviewed by the committee and included in the meeting packets should be provided to her one week prior to the meeting.

Ms. Lipscomb requested that the Committee set a date each month for the meetings so everyone can plan ahead and have it on their calendar. It was agreed by everyone that the date and time would be the 3rd Thursday of the month at 10:00 a.m. A list of dates for the remainder of the year and next year will be provided to the Committee at the next meeting. She also advised that if an extra meeting is needed they can meet via conference call and vote by proxy via telecopier. This will allow the committee to do business anytime of the year.

Chairperson Lipscomb advised the new Committee members that there are a lot of issues that are unresolved with regard to the State Use Program. The Committee will be tasked with deciding how to resolve those issues. A letter was sent by Secretary Ferguson to WVARF which posed questions. WVARF has responded to those questions. Copies of both letters are included in the packets for the members review.

Chairperson Lipscomb advised that the prior committee had passed a motion to increase the State Use Program fee from 3.75% to 4.1%. However, the decision was made by the Secretary of Administration not to approve the change order that authorized the fee increase. A copy of Secretary Ferguson's letter dated August 29, 2005, outlining the reasons for this decision is included in the packets for review. This committee will need to approve a budget based upon the new fee amount. The Committee instructed WVARF to provide a proposed budget and bring it back to the Committee at the next meeting. Mr. Lillar requested that they have an opportunity to review the budget prior to having to approve it. Chairperson Lipscomb indicated that she would provide the needed documentation at the next meeting and then the Committee could vote on the budget at their November meeting.

Chairperson Lipscomb advised the Committee that she is providing a notebook for each member which provides all the pertinent materials the Committee needs to review. The notebooks contain the Statute, the legislative and procedural rules, the policies and procedures, etc. She suggested that each new member review the materials and let her know if they have any questions.

EXECUTIVE SECRETARY REPORT

- 1) Evan Williams, Executive Secretary, introduced himself and advised of his background;
- 2) Read a letter from Scott Padon, the former Executive Secretary. Copy provided to members.
- 3) Provided "Employee and Board Member Information" forms to be completed and returned to the Executive Secretary at the conclusion of today's meeting
- 4) Travel Expense forms were given to everyone for reimbursement of expenses
- 5) Committee Account Report:
 - \$5,046.00 is for FY06 annual allocation
 - \$ 92.48 in outstanding, unpaid expenses
 - \$0 expenses paid-to-date
 - \$4, 953.52 unencumbered balance

REPORT OF THE CENTRAL NON-PROFIT AGENCY

Mr. McEndree advised that one of the Committee's responsibilities is preparation of the annual report showing what the State Use Program did over the past year. He provided a preliminary report for 2005 figures that shows that progress. The report compares 2005 with 2004 and shows a \$600,000 increase in sales. A copy of last years annual report was provided to the Committee. A hand out regarding SUPRA was also provided. West Virginia does participate in this program. This also shows the number of direct labor hours. Mr. Cuffaro questioned the amount of hours of individuals with disabilities versus the hours of those without.

Mr. McEndree stated that on September 6th he had a meeting with Cabinet Secretary Robert Ferguson. At that meeting they agreed to meet periodically and information will be passing back and forth to discuss any issues that need addressed.

Mr. McEndree gave an update on water delivery. He advised that the CRP has excellent water, however, they have a problem with delivery. Prestera is now doing the delivery and everything is going well. He stated that they didn't have enough water coolers. Mr. McEndree stated that WVARF funded water coolers for them and they will pay us back for that. Chairperson Lipscomb questioned where the funds for this came from as the Committee has not approved any such expenditure as required. Ms. Lipscomb questioned what the amount of the loan was. Mr. Lillar questioned how much interest was being charged and what the terms were. Mr. Lillar requested that WVARF provide the details of this transaction to the Committee at the next meeting.

Mr. McEndree advised the Committee that he has met with Tarradon Software Company and they are on schedule for implementation of their e-management system. They contracted with them and set-up on-line purchases. He questioned whether the Committee would want them to come in to give a presentation to discuss how it works. CRP's can go on-line for catalog and file reports, purchase, etc.

WVARF is submitting a USDA grant to get funding to purchase computers for CRP's that will be compatible and have technology needed for this software. Also, the grant will include training of CRP's. Total cost of \$50,000.

Mr. McEndree stated that each CRP is required to provide certain documentation in order to participate in the State Use Program. They started this review program last year and this is the second time they have done the desk audit review. Items we look at: copy of by-laws; U. S. Department of Labor certificate; copy of documentations; current list of officers; names; tenure; corporation officers; current insurance coverage; non-profit status. They also receive a letter from the Secretary of State stating the CRP is in good standing. A survey was done in August and they still don't have information from eight CRP's.

Mr. Liller questioned whether it would be more simple upon renewal of the contract to require them to submit the required documentation or not renew the contract. This would eliminate a lot of additional work for someone. Ms. Lipscomb agreed that this should be a part of the contract that they can't renew the contract until they supply that information before renewing the contract. Ms. Lipscomb inquired as to whether they could make this part of the documentation of the quarterly report in order to assure it is updated throughout the year. Mr. Cuffaro stated that at a minimum a questionnaire needs to go out each year automatically to the CRP's requiring them to sign certifying that everything is current prior to the contract renewal.

MOTION #2

Mr. Lillar moved that all CRP's be sent an agreement and the information on the desk report be filled out and that would then be sent through to the Executive Secretary for his approval for the committee. Motion seconded by Mr. Cuffaro. Motion passed.

Ms. Lipscomb stated that she wants to make sure everything that is required by statute is approved before we enter in agreement. She stated that a list should be brought to the next meeting for the Committee's approval. The requirements should be kept on file.

Chairperson Lipscomb stated that she also wants to assure that the CRP's certify that they are paying at a minimum the wages approved by the Committee. Mr. Cuffaro asked if the document the CRP's sign regarding wages go into the agreement. The staff of WVARF agreed to provide a standard agreement to the Committee for review.

Mr. Cuffaro questioned whether the field report requires them to show effective dates of insurance.

MOTION #3

Ms. Morford moved that the insurance information be added to the quarterly reports to reflect CRP information on agreement to be signed. Mr. Lillar seconded. Motion passed.

MOTION #4

Ms. Lipscomb made a motion that the agreement include wording that they agree to pay, at a minimum, wages approved by the committee. Motion seconded by Mr. Cuffaro. Motion passed

Contract complaints

Mr. Kennedy advised the Committee that the following report shows the formal, verbal and/or e-mail complaints received. Formal complaints come to us from the Purchasing Division in writing, then we investigate and do plan of correction. No formal complaints have been received this quarter.

FORMAL COMPLAINTS

None

VERBAL/EMAIL COMPLAINTS

Janitorial	8
Bottled Water	1

QUARTER WVARF04 COMPLAINT LOG SUMMARY FY 2006

	Verbal/Email	Formal
1st Quarter	Janitorial – 11 Bottled Water - 2	0
2nd Quarter		
3rd Quarter		
4th Quarter		
Annual Summary	13	0

COMPLAINT SUMMARY FOR FY2006

FORMAL COMPLAINTS

None

VERBAL/EMAIL COMPLAINTS

Janitorial	11
Bottled Water	2

Mr. Cuffaro asked questions regarding the number of complaints. Mr. Kennedy indicated that they have a log of complaints that is recorded that you are welcome to look at, but did not have it with him. Mr. Kennedy explained the formal process for complaints. He indicated that WVARF staff has a complaint log sheet, any individual in office, or whoever gets the complaint, fills out and turns in to him and he records it. Whoever is in charge of the contract works to take action, meets with individuals, or calls to make sure they are aware of complaint and see what action they are going to take to correct the complaint in a timely manner.

Contract Presentation

Fiscal year 2006 change order, all of these are here for Donna to sign and we have two boxes for your signature. What happened was, because of the confusion of what fee would be allowed/approved, the committee in April, May, June and August approved contracts based on a 4.1% fee. This is a list of all those contracts. With the 4.1% fee annual price and 3.75% fee annual price and the contract start date. The only thing changed was the fee. Ms. Lipscomb has all this in detail for her signature. All contracts with 4.1% annual fee has been altered and after signatures they will be going out in the mail tomorrow

MOTION #5

Mr. Sullivan moved for approval of those contract based upon the fact that nothing changed but the fee amount. Motion seconded by Ms. Morford. Motion passed.

In packet also several contracts.

MOTION #6

Mr. Sullivan moved to approve the projects presented. Seconded by Ms. Smith. Motion passed.

NEW PROJECTS

General Services	Janitorial	Weirton	\$45,205.21	Hancock County
Insurance Commission	Janitorial	Penna Ave, Charleston	\$22,737.96	GI - Kanawha Valley

RENEWED PROJECTS

WV Air National Guard	Janitorial	Martinsburg	\$121,073.88	Developmental Ctr
WV Air National Guard	Janitorial	Charleston	\$117,967.68	GI - Kanawha Valley
IS&C	Courier	Charleston	\$32,180.20	GI - Kanawha Valley
LABOR	Janitorial	St Albans	\$7518.72	Prestera Center

Workers' Compensation Commission*	Janitorial	4101 MacCorkle, Charleston	\$7,893.57	Prestera Center
	Janitorial	4401 MacCorkle, Charleston	\$3,096.03	GI - Kanawha Valley
	Janitorial	5301 MacCorkle, Charleston	\$1,855.29	GI - Kanawha Valley
	Janitorial	Penna Ave, Charleston	\$5,684.49	GI - Kanawha Valley
Department of Highways District 4**	Janitorial	Hdqtr, Bridgeport	\$44,183.61 (9 mths)	The op Shop
DHHR - Office of Audits, Research and Analysis	Data Mgt.	Charleston	\$82,408	JCDC

Presentation given by Craig Greening showing number of workers with and without disabilities. CRP's have workers' that aren't disabled that are not on state use program. Some employees are disabled but WVARF is unable to get documentation.

Financial Report

Mr. Miller gave a financial Report. He stated that overall fiscal year \$10.4 million and in FY04, \$9.7 Million. WVARF received a substantial amount of monies in September, and there is nothing outstanding of major concern at this point.

Mr. Lillar requested information regarding how the payment process works. He was concerned about the delay in getting payment. Mr. Miller stated that all their business is with the state. He can't remember writing off \$5,000 in twelve years total but sometimes they are way behind. He stated that they collect 100% but it may take a while, sometimes a 2-year process. Ms. Lipscomb stated that the State must pay off everything by end of fiscal year and the next three months they don't have funding to keep current. Mr. Cuffaro questioned if there was a system set up that bank money, that \$1.4 million could be set up declared solely for that purpose.

Ms. Smith stated that CRP's are aware of the payment issues and try to prepare for that. She indicated that guaranteed payment program came up in April, May and June when the money was flowing free, and she was putting as much back as I could because I knew October was going to be really hard for her. She further stated that by that token, it was appropriate for the money to be set aside for that purpose. Mr. Cuffaro stated that those funds need to be included in the budget.

OLD BUSINESS

Ms. Lipscomb indicated that she would like for the Federal Government to come in and advise the committee how they determine the fair market price because that is very important. Mr. Sullivan agreed that he thought this would be a good idea.

We also need to look at what CRP's the committee would be interested in visiting, We can address that after the first of the year.

Public comment was received from Tim Morris, President of WVARF association. He stated that people around the state work hand in hand with the Governor's Office. The make-up of this group is very positive. He stated that eleven million dollars worth of business and that's because of the commitment from many people. This has put a million dollars (increased wages) in the pockets of individuals. These people are also paying taxes. We are saving the state money. These people are not on entitlements. They also have a better quality of life. The association has never had a lawsuit and has had only two formal complaints and 32 other complaints. He advised the committee that WVARF is a stand alone entity with an open door policy.

Ms. Morford made a motion to adjourn and was seconded by Mr. Cuffaro. Motion passed and meeting adjourned.